

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 281 - SB 204

February 23, 2009

SUMMARY OF BILL: Defines proficiency, as it relates to the Tennessee Comprehensive Assessment Tests (TCAP), as any student who demonstrates knowledge of the content area being tested. An advanced level of proficiency is defined as any student who demonstrates critical thinking and problem solving skills in the tested area.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$750,000/One-Time

Increase Local Expenditures - \$3,400,000/One-Time*

Assumptions:

- The DOE will conduct a minimum of six grade range standard set meetings to set performance levels for the new proficiency definitions in grades 3-8. Primary meetings will be for a grade range with content area meetings held as needed.
- Costs for meetings will vary depending upon the time of year they are held and number of participants but will be approximately \$60,000 per meeting with approximately \$40,000 in variable costs. If they are held during the school year, the state will be responsible for payment of substitute teachers for regular local education agency (LEA) teachers who will attend. In addition, the state will pay for travel, hotel, and food for out-of-town meeting participants. The DOE estimates these meetings to cost approximately \$400,000 [(6 meetings x \$60,000) + \$40,000 in variable costs].
- Vendor programming for reports will be approximately \$150,000 and revising the technical report given to the DOE by the vendor will be approximately \$200,000. The total increase in one-time state

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expenditures will be approximately \$750,000 (\$400,000 + \$200,000 + \$150,000).

- The DOE generally trains only system level staff on new curriculum and standards. LEAs will incur costs to train teachers and other personnel on the new standards. LEA cost for training materials, test pacing guides, and staff development is estimated by the DOE to range from \$25,000 to \$100,000 depending upon the size of the LEA and the number of staff who need to be trained. Though the exact increase in local expenditures is unknown, placing costs at the low estimate of the DOE range will increase local expenditures by \$3,400,000 (\$25,000 x 136 LEAs).

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with a horizontal line extending from the end.

James W. White, Executive Director

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